

Message Text

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PAGE 01 PORT L 00852 121342Z
ACTION AF-10

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 INR-07
NSAE-00 PA-01 USIA-06 PRS-01 SP-02 COME-00 EB-08
LAB-04 SIL-01 /053 W
-----121291 121348Z /53

R 121030Z AUG 77
FM AMEMBASSY PORT LOUIS
TO SECSTATE WASHDC 6914
INFO AMEMBASSY ANTANANARIVO
AMEMBASSY LONDON
AMEMBASSY PARIS
CINCPAC
CINCUSNAVEUR
COMIDEASTFOR

C O N F I D E N T I A L PORT LOUIS 0852

CINCPAC FOR POLAD

E.O. 11652: GDS
TAGS: ECON PINT ELAB PINS SOPN MP
SUBJECT: MAURITIUS WEEKLY REVIEW - AUGUST 12 (SUMMARY)

REF: PORT LOUIS 0822 (DTG 050530Z AUG 77)

1. THE TRIPARTITE GOVERNMENT-EMPLOYERS-TRADE UNIONS
WAGE NEGOTIATIONS REACHED AN IMPASSE ON AUGUST 8.
THE GOVERNMENT AND EMPLOYERS HAVE REFERRED THE QUESTION
TO THE ARBITRATION TRIBUNAL, BUT THE TRADE UNION
FRONT IS HOLDING OUT FOR ITS DEMANDS AND IS THREATENING
TO CALL A GENERAL STRIKE NEXT WEEK. FINANCE MINISTER
RINGADOO TOLD THE AMBASSADOR PRIVATELY THAT HE EXPECTS
THE UNIONS WILL CALL A STRIKE, BUT HE IS DETERMINED
TO RESIST THEIR EFFORT TO TIE FUTURE WAGE INCREASES
AUTOMATICALLY TO RISES IN THE CONSUMER PRICE INDEX.
SUCH "INDEXATION" WOULD FUEL INFLATION, HE BELIEVES,
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AND WOULD SET A VERY BAD PRECEDENT. TO REINFORCE HIS
ARGUMENTS RINGADOO HAS BEEN CITING THE VERY LOW LEVEL OF
THE COUNTRY'S FOREIGN EXCHANGE RESERVES, WHICH HE SAYS
FELL TO 295 MILLION RUPEES IN JUNE 1977. OPPOSITION LEADER
JUGNAUTH HAS APPEALED TO THE PRIME MINISTER TO CALL THE
RECESSED ASSEMBLY INTO SESSION TO DEAL WITH THE WAGE
NEGOTIATION DEAD-LOCK, BUT HIS APPEAL WILL PROBABLY BE

IGNORED.

2. PRIME MINISTER RAMGOOLAM TOLD THE AMBASSADOR THAT HE BELIEVES THE MARXIST-ORIENTED OPPOSITION PARTY, THE MAURITIAN MILITANT MOVEMENT (MMM), HAS SUFFERED A LOSS OF MOMENTUM BECAUSE OF INTERNAL IDEOLOGICAL AND COMMUNAL DISSENSION. HE IS LESS WORRIED ABOUT FACING THEM IN AN ELECTION THAN HE WAS FORMERLY. HE CLAIMS THAT THERE ARE FIVE MMM DEPUTIES READY TO DEFECT TO HIS LABOR PARTY IF AND WHEN HE NEEDS THEM. RAM REMAINS CONCERNED ABOUT A SEYCHELLES-STYLE COUP HERE, AND SPECULATES THAT THE MMM'S DIMINISHED ELECTORAL PROSPECTS MAY CAUSE THEM TO SEEK A DIFFERENT PATH TO POWER.

3. THE STOCK MARKET IS SHOWING INCREASED INVESTOR CONFIDENCE IN THE COUNTRY'S ECONOMIC PROSPECTS. THE CONSUMER PRICE INDEX ROSE ANOTHER 1.8 PERCENT IN JUNE.

4. THERE HAS BEEN A SPLIT IN PMSD RANKS OVER PARTY LEADER AND CUREPIPE MAYOR DUVAL'S EFFORTS TO PUT SOME OF HIS PARTY FAITHFUL ON THE TOWN'S ROLLS, A MOVE THWARTED BY MAURICE NOEL, MINISTER OF LOCAL GOVERNMENT AND A LEADING FRANCO-MAURITIAN IN THE PMSD PARTY. THE PEOPLE WHO COUNT ARE LINING UP BEHIND NOEL, ANNOYED THAT DUVAL IS REPEATING HIS BAD PERFORMANCE OF THE PAST IN WASTING MUNICIPAL FUNDS. LE CERNEEN, A PAPER WHICH SUPPORTS THE PMSD, CONFIDENTIAL

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IS GETTING A NEW PRESS WHICH WILL PERMIT IT TO EXPAND GREATLY. A PROMINENT ISMAILI MERCHANT FAMILY IS TAKING OVER THE MUSLIM PAPER, THE STAR, AND MAY ENHANCE ITS APPEAL TO THE MUSLIM COMMUNITY, WHICH HEAVILY SUPPORTED THE MMM IN THE LAST ELECTIONS. KEELEY

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Message Attributes

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Current Classification: UNCLASSIFIED
Concepts: POLITICAL SUMMARIES
Control Number: n/a
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Sent Date: 12-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
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Executive Order: GS
Errors: N/A
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From: PORT LOUIS
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Retention: 0
Review Action: RELEASED, APPROVED
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Review Date: 14-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
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Review Withdrawn Fields: n/a
SAS ID: 1617112
Secure: OPEN
Status: NATIVE
Subject: MAURITIUS WEEKLY REVIEW - AUGUST 12 (SUMMARY)
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